



## Transmission Services

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### Committed Scheduling for the 2014-15 Rate Period, Version 4

#### Response to Customer Comments

Posted: April 24, 2014

This document contains the Transmission Customer comments and Transmission Services' response to those comments for the Committed Scheduling for the 2014-15 Rate Period Business Practice V4 Business Practice posted for review from March 27<sup>th</sup>, 2014 through April 20<sup>th</sup>, 2014

Thank you for your comments.

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## Portland General Electric

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Portland General Electric Company (PGE) appreciates the opportunity to comment on Bonneville Power Administration's (BPA) business practice "Committed Scheduling Business for 2014-15 Rate Period Version 4". PGE values the investment BPA puts into creating innovative operating business practices for integration of variable energy resources. As a Variable Energy Resource Balancing services (VERBs) and Point to Point (PtP) transmission customer, PGE has considerable interest in flexible options for the integration of variable resources on BPA's system. PGE provides the following recommendations for consideration.

PGE notes that section A.2 "The wind facility must also comply with BPA's Technical Requirement for Interconnection to BPA Transmission Grid, specifically section 12.2.2 Data Requirements for Balancing Authority Area Services" should be modified or stricken from the business practice. Bonneville appears to be using the business practice to unduly discriminate against Variable Energy Resources that take integration service from BPA under Large Generator Interconnection Agreements (LGIA's) issued prior to PERC Order 764 and 764-A. Leaving section A.2 in the business practice puts the burden on existing LGIA customers not required to provide such data under PERC Order 764/744-A if non-compliance constitutes removal from the program even if that resource has been a foundation member of the program.

Should BP A desire to keep the language in the business practice, PGE suggests the following change to ensure compliance with the language and spirit of the Commission's determination in Order 764-A Section B. "Any newly commissioned +he wind facility must also comply with BPA's Technical Requirement for Interconnection to BPA Transmission Grid, specifically section 12.2.2 Data Requirements for Balancing Authority Area Services"

This change makes it clear that the data requirement applies solely to new facilities and specifically exempts those facilities that already have exiting LGIA's with Bonneville. To do otherwise would fly in the face of the Commission determination and be unduly burdensome and discriminatory to participating wind facilities or those wind facilities desiring to participate in the Committed for 2014 15 Rate Period, Version 4, Business Practice but have LGIA's that predate order 764/764-a.

### Transmission Service's Response

Data sharing requirements for wind power production forecasting is contained in BPA's Technical Requirements.

BPA's wind power production forecasting initiative has a long history. In the FY 2009 Wind Integration Within-Hour Balancing Service rate case settlement, the rate case parties required BPA to examine forecasting capabilities, business practices and scheduling practices to:

- a. Potentially mitigate capacity requirements for managing generation imbalance;
- b. Potentially improve identification of the type of each reserve needed at any given time; and
- c. Identify appropriate accountability and responsibility for forecasting and scheduling.

The rate case parties also agreed to provide data to BPA to enable it to perform various wind integration functions and initiatives, such as the wind power production forecasting Wind Integration Team initiative. As part of its WIT Initiatives, BPA held numerous public meetings to develop its effort to provide forecasting information to wind generators located within the BPA Balancing Authority Area. Through that public process, all wind customers were given the opportunity to raise any concerns regarding BPA's wind power production forecasting effort. BPA moved forward with its forecasting initiative based on customer feedback and emphasized in its public WIT meetings that the success of BPA's wind power production forecast initiative was dependent on the receipt of data from wind generators located within BPA Balancing Authority Area.

Accordingly, in July 2011, BPA updated its Technical Requirements for Interconnection to the BPA Grid to include the data sharing requirements discussed in the WIT public process to facilitate the development of the wind power production forecast initiative. To date, BPA obtains data pursuant to its Technical Requirements from all wind customers located in its Balancing Authority Area except for one. BPA is currently working with the remaining wind customer to obtain data to facilitate wind power production forecasting in the BPA balancing authority area. BPA continues to have success with its wind forecasting efforts, and appreciates the cooperation and coordination with its wind customers.

Despite these efforts, PGE states that BPA appears to be unduly discriminating against variable energy resources by including provisions for data sharing in its Technical Requirements. PGE relies upon Order No. 764 to support its recommendation for BPA to remove the reference to its Technical Requirements in its business practice. BPA's data sharing requirements for wind power production purposes, however, were established before the Commission's issuance of Order No. 764. As explained above, BPA developed these requirements out of its obligation to explore wind power production forecasting as a WIT Initiative from the FY 2009 rate case settlement. PGE does not explain why it is now unduly discriminatory to continue to require data sharing to support wind forecasting efforts that all wind customers in BPA's Balancing Authority Area have had notice of since the WIT Initiatives were established out of the FY 2009 rate case settlement. Indeed, as noted above, BPA has successfully worked with all but one wind customer located within its Balancing Authority Area to satisfy the requirements that PGE now seeks to strike from BPA's business practice. There is no evidence to suggest that BPA's data sharing requirements for wind power production forecasting are unduly discriminatory. Thus, BPA will retain its reference to its Technical Requirements in the Business Practice.

Section C.3, which reads "Committed Scheduling Resources are exempt from Persistent Deviation penalties for Generation Imbalance provided if they meet their scheduling metrics", could lead to confusion for participants of the Committed Scheduling business practice. Section III B.2.c of BPA's 2014 Transmission, Ancillary, and Control Area Service Rate Schedules and General Rate Schedule Provisions (PY20 14-20 15) states; "Customers participating in committed scheduling to receive (i) BPA's 30-minute signal for each 15-minute schedule period (30/15 committed scheduling), each 30- minute schedule period (30/30 committed scheduling), or each 60-minute schedule period (30/60 committed scheduling), or (ii) BP A's 40-minute signal for each 15-minute schedule period ( 40/15 committed scheduling), and that submit schedules that are consistent with or

result in less imbalance for the committed scheduled period are exempt from the Persistent Deviation penalty charge.

It is unclear to PGE if a participant in the Committed Scheduling Business Practice is exposed to Persistent Deviation penalties for each instance in which it did not meet the scheduling metrics, or if the Persistent Deviation penalties would be levied upon removal from the list of qualified Committed Scheduling Resources. Given the appeals process incorporated in the business practice and the ability Of BPA to (at its sole discretion) waive scheduling metrics for a variety of reasons PGE would suggest the latter interpretation to be applied. This interpretation provides rate certainty as well as prevents needless post waiver accounting corrections for BP A and its transmission customers. If BPA's intent is to penalize resources that fail to meet the scheduling metrics and are disqualified as Committed Scheduling Resources, then PGE suggests a slight language revision. That revision might state "Committed Scheduling Resources are exempt from Persistent Deviation penalties for Generation Imbalance provided if they meet their scheduling metrics maintain their status as a qualified Committed Scheduling Resource".

### Transmission Service's Response

A participant in the Committed Scheduling Business Practice is exposed to Persistent Deviation penalties if they do not meet the scheduling metric outlined in the "Committed Scheduling for the 2014-15 Rate Period" Business Practice, in a manner that meets the measure of a Persistent Deviation event as defined in BPA's ACS-14 Rate Schedule. It is important to note that it is possible to experience a Persistent Deviation event without being removed from the list of qualified Committed Scheduling Resources.

PGE believes that section H.3 and H.4 create significant ambiguity as to when a Committed Scheduling Resource customer will potentially be exposed to direct assigned changes under Section III.E.6.2 of BPA's ACS-14 Rate Schedule. H.4.a states "the Participant fails to convert to automated scheduling of the BPA-provided persistence value within two weeks of receiving the new signal from BP A" and yet H.3 states "Upon receipt of a notice with this requirement, the committed scheduling participant must notify BP A within five Business Days of its intent to comply and complete the change in its scheduling systems within 30 calendar days of receiving BPA's new signal providing the persistence value". These two passages lead to confusion with regards to when direct assigned charges would apply.

PGE recommends a slight change to section H.4.a to read "the Participant fails to convert to automated scheduling of the BP A -provided persistence value within the agreed upon time frame established in H.3". This language allows for flexibility for both BPA to provide the signal and for the Committed Scheduling Resource to develop an effective plan for instituting automated scheduling.

### Transmission Service's Response

BPA agrees that there is ambiguity in language of H.3 and H.4. To correct it, BPA will change H.4 to read "4.a. the Participant fails to convert to automated scheduling of the BPA-provided persistence value within the time frame established in H.3"

PGE believes that these small changes provide significant clarity to BPA's intent and needs with regard Committed Scheduling Resources. PGE looks forward to BPA's clarifying comments on our suggested revisions.